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Review of the implementation of the recommendations and decisions adopted by the General Assembly at its tenth special session

United Nations Institute for Disarmament Research

Note by the Secretary-General

The Secretary-General hereby transmits to the General Assembly the report of the Director of the United Nations Institute for Disarmament Research on the activities of the Institute for the period from January to December 2014 and the programme of work and financial plan for 2015 and 2016.

The report was considered and approved for submission to the General Assembly by the Board of Trustees of the Institute at the sixty-fourth session of the Secretary-General's Advisory Board on Disarmament Matters, held in New York from 29 June to 1 July 2015. The Board of Trustees emphasized the observations and recommendations contained in the report of the Director, in particular those in paragraphs 23 to 30 regarding Member States' next steps to ensure the Institute's sustainability. In addition to making a request for an increased subvention for the biennium 2016-2017, the Board called for its recommendations regarding the subvention to be fully reflected in the note by the Secretary-General requesting a subvention to the Institute, which will be submitted to the Assembly at its seventieth session.

* A/70/150.

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Report of the Director of the United Nations Institute for Disarmament Research on the activities of the Institute for the period from January to December 2014 and the programme of work and financial plan for 2015 and 2016

Summary

The present report covers the activities and financial status of the United Nations Institute for Disarmament Research (UNIDIR) during the period from January to December 2014, the ongoing programme of work and financial plan for 2015 and the proposed programme of work and financial plan for 2016. On the occasion of the thirty-fifth anniversary of the Institute, the present report also offers a stocktaking for the consideration of Member States as they discuss the continuing need for and value of the Institute and the steps forward.

UNIDIR generates and leverages knowledge to improve disarmament and security policies, programmes and practices. The work of UNIDIR is divided into four research programmes: weapons of mass destruction, conventional weapons, emerging security issues, and security and society.

The year 2015 marks the Institute's thirty-fifth anniversary. At a time when the multilateral disarmament machinery struggles to deliver results, UNIDIR continues to fulfil its mandate in the service of Member States, filling a critical niche of fact-based analysis, fresh ideas on emerging issues and new perspectives.

The year offers an opportunity for Member States not only to reflect on the Institute's contributions, accomplishments and value added but also to ensure that, as the Institute embarks on the next 35 years, it will have a more secure, resilient and sustainable foundation for its work. In 2012-2013, in response to the proposal to merge the research and training functions of the United Nations, Member States expressed their strong political will in support of the Institute's continued autonomy. Without a secure institutional base, however, that hard-fought achievement is an illusion.

The Director notes that the Institute's projects and activities budget has continued on an upward trend, reflecting demand by Member States for the Institute's products and activities, yet funding to support the obligatory framework to undertake those activities in compliance with both United Nations rules and donor requirements is far from sufficient and shrinks each year.

The General Assembly, in its resolution 68/247, approved a subvention of $577,800 to UNIDIR for the biennium 2014-2015. The Director notes that the subvention from the regular budget, foreseen in resolution 39/148 H towards meeting the costs of the Director and the staff of the Institute, no longer covers the standard costs of a Director. In its resolutions 60/89 and 65/78, the Assembly recommended that the Secretary-General implement the relevant recommendations of the Office of Internal Oversight Services and the decisions of the Board of Trustees on the funding of the Institute, within existing resources.

In recent years, Member States have resoundingly expressed their strong political will in support of the Institute's continued autonomy and unique governance structure. It is now time for Member States to take ownership of the Institute's future, to ensure that UNIDIR can build upon its first 35 years and continue to serve all States as the thought leader of the United Nations system on disarmament and related international security questions.

I. Background

1. The United Nations Institute for Disarmament Research (UNIDIR) generates and leverages knowledge to improve disarmament and security policies, programmes and practices.

2. The present report covers the activities and financial status of UNIDIR during the period from January to December 2014, the ongoing programme of work and financial plan for 2015 and the proposed programme of work and financial plan for 2016. It is the first report presented under the leadership of the new Director, who assumed his functions in January 2015. On the occasion of the thirty-fifth anniversary of the Institute, the present report also offers a stocktaking for the consideration of Member States as they discuss the continuing need for and value of the Institute and the steps forward.

II. Reflecting on 35 years: a stocktaking

3. The year 2015 marks the Institute's thirty-fifth anniversary.[1] Over the past 35 years, the Institute has built a reputation for innovation and problem-solving. At a time when the multilateral disarmament machinery struggles to deliver results, UNIDIR continues to fulfil its mandate in the service of Member States, filling a critical niche with fact-based analysis, fresh ideas on emerging issues and new perspectives.

4. According to its mandate, the Institute is to provide the international community with more diversified and complete analysis of disarmament and security issues; promote informed participation by all States in disarmament efforts; produce objective and factual studies and analyses; and carry out more in-depth, forward-looking and long-term research on disarmament and security.

5. UNIDIR is ideally situated to deliver on this mandate owing to its unique placement within the international community, as an autonomous institute within the United Nations offering research and policy support and solutions to Member States, United Nations bodies and international and regional organizations, among others. Moreover, recent experience demonstrates that Member States continue to value the Institute: the services that it provides to the diplomatic, policy and practitioner communities are in demand more than ever before. There continues to be a high level of support for and interest in the Institute's projects, and UNIDIR has been able to steadily raise funding for specific projects and activities.

6. The Institute's unique position within the United Nations is reinforced by a number of key strengths, starting with its wide mandate. Its programme of work is broad in substance yet practical in nature, covering current and over-the-horizon issues. Unlike many organizations producing analysis, UNIDIR is not an advocacy organization; nor is it limited to a specific region or a single issue area.

7. Another strength is the cross-cutting nature of the Institute's work, both in substance and in its approach to stakeholders. Recent research questions addressed by UNIDIR, not confined to particular weapon-specific portfolios, include: How are

[1] The Institute was established in 1980 (see resolution 35/152 H), and its statute was approved by the General Assembly in 1984 (see resolution 39/148 H).

norms of behaviour in outer space relevant to the quest to develop norms for cyberspace? How does the international community's understanding of so-called "normal accidents" inform the assessment of nuclear-related risks? How might increasingly autonomous technologies intersect with offensive or defensive cybercapabilities, and is it possible to mitigate risks and vulnerabilities?

8. In its cross-cutting approach to stakeholders, UNIDIR actively seeks to strengthen collaboration between the disarmament community and other communities of practice, including development, health and human rights. UNIDIR creates strategic partnerships and promotes useful collaboration among a variety of stakeholders that are not always brought together in traditional disarmament forums or considered equals at the table.

9. UNIDIR also cuts across the "inside-outside" divide of the United Nations. Its autonomy gives it great liberty to consider questions that other parts of the system might be hesitant to confront, combined with insider access to United Nations processes. No other disarmament think tank in the world is in the same position. UNIDIR serves the much-needed bridging function of ensuring that there is cross-fertilization of ideas from inside and outside the system. UNIDIR has also demonstrated its ability to work cooperatively with a whole range of other United Nations entities, being seen as a non-threatening partner for effective joint efforts.

10. As the only United Nations institute dedicated to disarmament and security issues, and with a global reputation, networks and access afforded by being part of the United Nations, UNIDIR has unique convening power. Its activities command particular attention in the international community.

11. UNIDIR leverages that convening power in several ways, notably through:

(a) International conferences and workshops, such as the annual UNIDIR Space Security Conference;

(b) Regional meeting series on specific topics or treaties, such as the Arms Trade Treaty, an international code of conduct for outer space activities, and international law and State behaviour in cyberspace;

(c) Small expert group discussions, such as a cross-disciplinary group of experts and scholars on the weaponization of increasingly autonomous technologies, or behind-the-scenes meetings, for example on strategies for breaking the deadlock in the Conference on Disarmament, to help to incubate ideas, foster collaboration and identify strategies for progress;

(d) Inter-agency efforts, such as supporting the Federal Government of Somalia and United Nations partners in order to design and establish effective arms and ammunition management frameworks.

12. UNIDIR has been at the forefront of strategic efforts to forge shared understanding that informs, legitimizes and motivates collective action, particularly on new issues. From outer space security in the early 1980s to small arms and light weapons in the early 1990s and cybersecurity in the late 1990s, UNIDIR has made fundamental contributions to shaping how issues are framed and addressed by the disarmament and security communities. Examples include:

(a) Enhancing civilian protection from explosive weapons use in populated areas: along with the Office for the Coordination of Humanitarian Affairs of the

Secretariat and the British policy non-governmental organization Article 36, UNIDIR helped to frame this emergent policy approach from its inception around 2009, creating understanding and traction within the United Nations system and with interested organizations and States;

(b) Humanitarian consequences of nuclear weapons: UNIDIR conducted foundational work on examining contemporary developments in the discourse around nuclear disarmament and helping policy practitioners to make sense of it;

(c) Cyberstability: from its initial work on cybersecurity over a decade ago, UNIDIR is now fostering the development of regional communities of cyberpolicy legal practitioners.

13. Finally, UNIDIR is practical and effective. It is a small institute with a global impact. UNIDIR conducts research to better understand phenomena, identify alternatives, assess which courses of action are effective and why, and ultimately create better outcomes. UNIDIR does not conduct theoretical research, but rather practical, evidence-based and policy-relevant research with the objective of leveraging knowledge for action. To put it simply, the Institute diagnoses a problem, designs a response and delivers a result.

A. Key challenges: ensuring a resilient and sustainable Institute and transitioning to Umoja

14. The Institute's thirty-fifth anniversary offers an opportunity for Member States not only to reflect on the Institute's contributions, accomplishments and value added but also to ensure that, as the Institute embarks on the next 35 years, it will have a more secure, resilient and sustainable foundation for its work.

15. Voluntary contributions constitute the principal source of financing of the Institute. Its annual budget has two components: the projects and activities budget and the institutional operations budget.

16. The projects and activities budget comprises funding raised from Governments, foundations and international organizations and earmarked for specific activities and projects on the basis of a detailed proposal and budget prepared by UNIDIR. High standards of work and cost-effectiveness are ensured and reinforced by the competitive nature of the market for project funding.

17. The institutional operations budget supports the Institute as a whole, ensuring the Institute's strategic direction, financial and administrative transactions, management and oversight, reporting, communications and outreach. It covers the institutional framework necessary to carry out activities in compliance with United Nations financial and administrative rules and regulations, as well as in accordance with contribution agreements. The majority of the annual budget covers the costs of the Director (D-2) and four other institutional staff: the Chief of Operations (P-5), a Budget and Finance Officer (P-3), an Administrative Assistant (G-6) and a

Publications and Meetings Secretary (G-5).[2] In addition to those staff costs, the institutional operations budget includes a minimum travel budget for the Director, physical infrastructure, website maintenance, development and dissemination of outreach tools and materials, and information technology support and communications (see annex III).

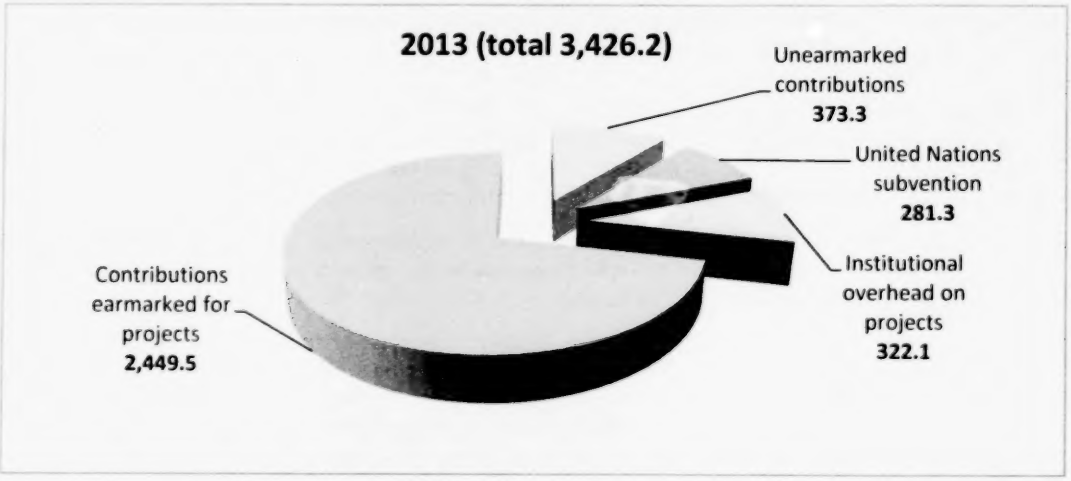
18. When establishing a new extrabudgetary body, a single stakeholder Government or group of Governments usually provides an endowment or a working capital fund for the institutional operations budget of the new entity. Unfortunately, UNIDIR has never benefited from either. Instead, its institutional operations budget comes from three sources: unearmarked contributions, overheads on each project budget and the subvention. The institutional operations budget is chronically underfunded.

19. Figure I illustrates funding trends related to support for the two budgets.

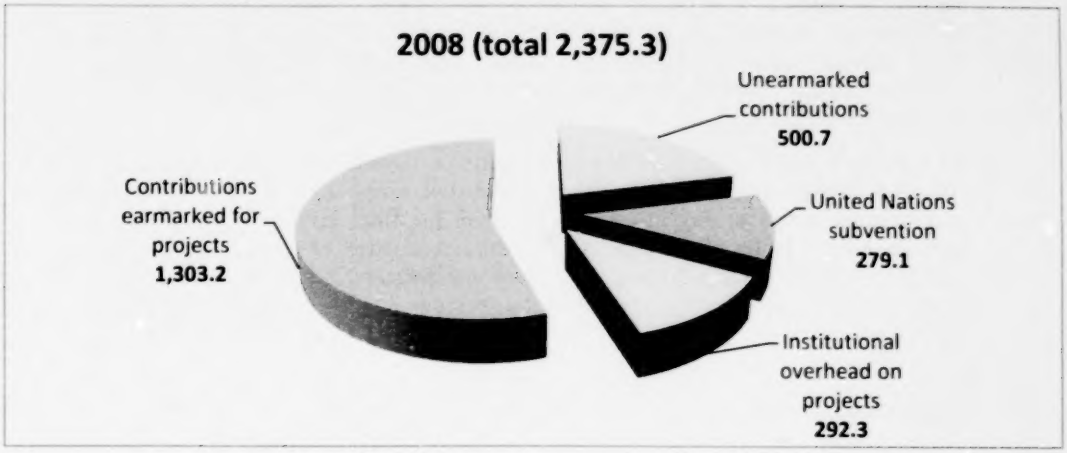
Figure I

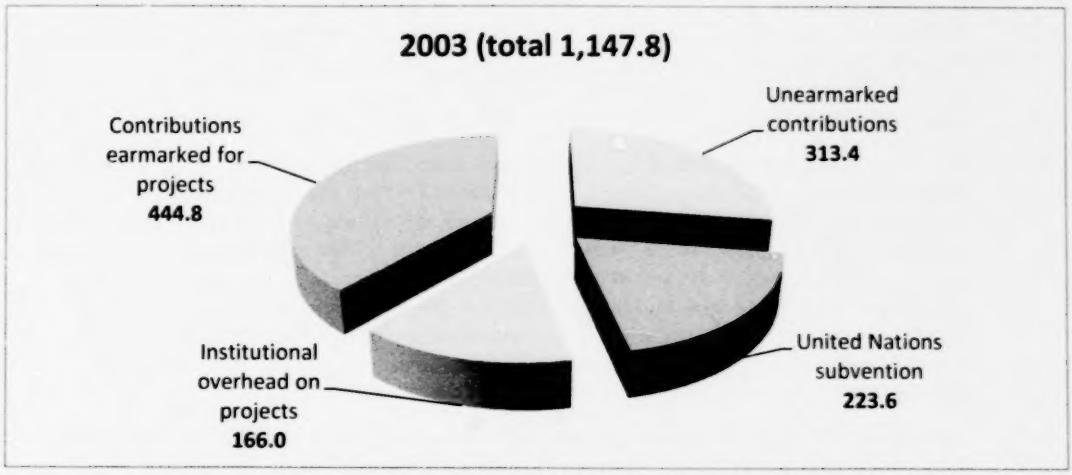
Project and activities (earmarked) income and institutional operations (unearmarked) income

(Thousands of United States dollars)



[2] At its sixty-third session, following an external needs assessment, the Board of Trustees endorsed the recommendation that the Institute staff be expanded to include a Chief of Research (P-5); however, such a position has yet to be established for financial reasons. Upon the incumbent's retirement, the functions carried out by the G-6 will be redistributed, and the G-6 position will be discontinued. At that time, with the addition of the P-5 Chief of Research position, the Institute will reach its irreducible core of five institutional staff.


2008 (total 2,375.3)
Unearmarked contributions 500.7
United Nations subvention 279.1
Institutional overhead on projects 292.3
Contributions earmarked for projects 1,303.2


2003 (total 1,147.8)
Unearmarked contributions 313.4
United Nations subvention 223.6
Institutional overhead on projects 166.0
Contributions earmarked for projects 444.8

Note: Subvention amounts are granted for the biennium. For the illustrative purposes of these charts, the total biennium subvention was divided in half.

20. It is paradoxical that the UNIDIR projects and activities budget has continued on an upward trend, reflecting demand by Member States for the Institute's products and activities, yet funding to support the obligatory framework to undertake such activities in compliance with both United Nations rules and donor requirements is far from sufficient and shrinks each year. At the current level of the institutional operations budget's funding, it is no longer possible to maintain the minimum framework required to have a United Nations institute.

21. The new United Nations enterprise resource planning programme, Umoja, will affect UNIDIR as of 1 November 2015 and poses two distinct challenges to UNIDIR. First, a different contractual modality will need to be found to continue to employ staff (both institutional and research) beyond October, as the current arrangement is not supported by the new system. The two institutional staff currently not on United Nations fixed-term contracts will need to be converted to

permit the full access to Umoja required by their duties. This will have some cost implications. As for research staff, the Institute is actively working with the Secretariat to find an appropriate contractual modality that will suit the particular characteristics of research work, the realities of the funding environment and the Institute's business model.

22. Second, the transition to Umoja requires a significantly higher amount of financial liquidity than UNIDIR has ever had. For example, it is not unusual for project contributors to pay in instalments, with the final instalment being issued only upon completion of the project. With the introduction of Umoja, projects and activities will be able to borrow only from unearmarked funds. As unearmarked funds are a key source of the institutional operations budget, and as that is already in shortfall, there is simply insufficient liquidity.

B. Next steps for Member States

23. After 35 years of effective service delivery, Member States are facing a collective decision about the Institute's future. In 2012-2013, in response to the Secretariat's proposal to merge the research and training functions of the United Nations, Member States expressed their strong political will in support of the Institute's continued autonomy and its unique governance structure. Without a secure institutional base, however, that hard-fought achievement is an illusion.

24. It is well documented that UNIDIR has faced an unstable and insufficient institutional funding base since its establishment.[3] Over the years, the General Assembly, the Board of Trustees of UNIDIR and the Office of Internal Oversight Services (OIOS), among others, have called attention to the situation and to the need for a larger portion of the UNIDIR institutional staff costs to be covered by the subvention from the regular budget. What makes 2015 different is that, with Umoja and the donor shift towards almost exclusively earmarked project funding, the chronic underfunding of the institutional operations budget can no longer be ignored.

25. There are two solutions to put the institutional operations budget on a more stable and sustainable basis: increased annual voluntary contributions to the institutional operations budget and a larger subvention.[4] In the past three years, fewer than 20 States have contributed to the institutional operations budget, namely Finland, the Holy See, Hungary, India, Indonesia, Iraq, Israel, Kazakhstan,

[3] See, for example, A/38/467, A/40/744, A/41/666, A/42/611, A/45/498, A/48/325, A/50/391, A/55/349, A/56/418, A/57/335, A/58/316, A/59/361, A/60/285, A/61/297, A/63/279, A/65/228, A/66/125, A/67/203, A/68/206 and A/69/208.

[4] The third source of institutional operations budget funding, project overheads, is not discussed in the present report, as funders have made it clear that they are unwilling or unable to pay a higher overhead percentage. While each UNIDIR project budget includes an overhead percentage that goes to the institutional operations budget, it also includes the programme support cost charged by the United Nations Office at Geneva on all UNIDIR expenditure. Funders thus feel that they are being charged overhead twice and that the overall overhead percentage (United Nations Office at Geneva plus UNIDIR) is relatively high. Were a greater portion of the institutional operations budget to be funded from the subvention and unearmarked contributions, the percentage of project overhead charged by UNIDIR on individual activities could be reduced, thereby making the projects more affordable and attractive to funders.

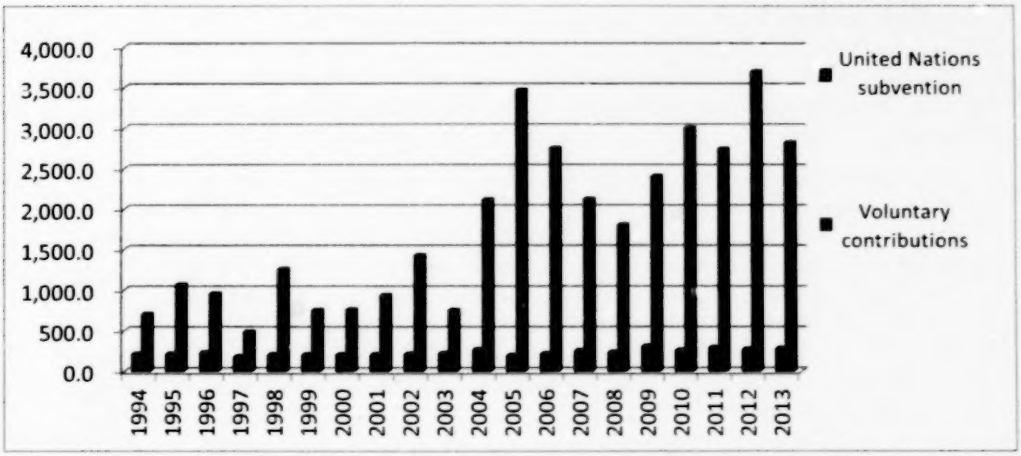
Luxembourg, Malaysia, Mexico, Norway, Pakistan, the Russian Federation, Serbia, Switzerland, Turkey and the United Arab Emirates.

26. With the introduction of Umoja, the institutional operations budget for 2016 is $1.3 million. In 2014, unearmarked contributions from States totalled $475,000. If Member States want to continue to have a dedicated institute for disarmament and security analysis within the United Nations, an institute that works to support all Member States, more States will need to contribute unearmarked funding and to commit to doing so every year. Rather than developing concepts and securing financing for substantive projects and activities, the Director and institutional staff spend a disproportionate amount of time attempting to secure funds for operational costs.

27. A higher subvention is an essential component of a sustainable, longer-term solution. Member States foresaw the need for regular budget support towards the cost of the Director and institutional staff and made a provision for it in the UNIDIR statute. However, for a number of budget cycles, the subvention was not cost adjusted, which resulted in its significantly reduced purchasing power today.

Figure II
UNIDIR annual voluntary income vis-à-vis the subvention

(Thousands of United States dollars)



28. In its resolution 65/87, on the Institute's thirtieth anniversary, the General Assembly recommended the implementation of the recommendations of the Board of Trustees, including over a decade of recommendations that the costs of institutional staff be funded from the regular budget. In 2004, the Secretary-General considered the continuing need for a subvention to UNIDIR and concluded that the regular budget subvention was "vital for ensuring the independent and continuous nature of the Institute's normal functioning". There have been other such recommendations, including by an OIOS audit report in 2005 recommending that UNIDIR, with the support of its Board, seek enhanced financial support from the regular budget. The resolution on the thirty-fifth anniversary of UNIDIR, to be considered at the seventieth session of the General Assembly, provides a critical

opportunity to support a larger subvention. However, this must be followed by Fifth Committee action if it is to have any impact.

29. To address the liquidity issue, UNIDIR established in January 2015 a revolving capital fund ("Stability Fund"). The Fund has a goal of $1 million, which would ensure sufficient liquidity for continued operations. The Fund will serve as a reserve against which funding can be borrowed; since it is always replenished, it is never spent down. Unlike the institutional operations budget, which needs to be raised every year, contributing to the Fund is a one-time investment. Australia ($100,000) and Switzerland ($60,000) were the first contributors to the Fund.

30. UNIDIR is actively working with the Secretariat to help to overcome the challenges raised by the transition to Umoja. Those efforts alone, however, are not enough. It is the Member States that established the Institute and have clearly affirmed the value of and continuing need for the Institute's products and services. They must therefore take ownership of the Institute's future and commit to the Institute's sustainability. The alternative is to acknowledge that UNIDIR will cease its substantive operations until such operational stability is secured.

III. Programme of work

A. Performance information[5] and status of completed or planned activities for 2015

31. The work of UNIDIR is divided into four research programmes:[6] weapons of mass destruction, conventional weapons, emerging security issues, and security and society.

32. Throughout its history, UNIDIR has been at the forefront of many issues on the disarmament agenda. The Institute has been an innovator and leader on issues as diverse as space security, cyberstability, small arms, disarmament as humanitarian action and autonomous weapons. On those and other issues, UNIDIR today is more relevant than ever. Over the years, UNIDIR has also demonstrated its ability to change and adapt to Member States' needs and requests: today, in addition to traditional written outputs, the Institute develops tools and offers capacity-building activities so that all States may participate fully in disarmament and security discussions and commitments.

33. In 2014, UNIDIR conducted 16 individual projects, held 23 conferences and seminars and issued 17 publications. UNIDIR staff also participated in numerous international conferences and events held by or in cooperation with partner organizations. During the period covered by the present report, UNIDIR staff made presentations worldwide at events in Vienna, Beijing, Tokyo, The Hague, Johannesburg, Stockholm and Bangkok, among others.

[5] Based on actual accomplishments for the period from January to December 2014.

[6] In order to streamline the work of the Institute and increase clarity of the Institute's programme of work, as from 2014 the activities within the policy and practice research programme have been absorbed into the four other programmes.

34. While individual projects and activities conducted during the reporting period are listed in the present document in brief, detailed information about specific projects and outputs is available from the UNIDIR website (www.unidir.org).

1. Weapons of mass destruction

35. The statute of UNIDIR gives high priority to work aimed at the elimination of weapons of mass destruction, particularly nuclear weapons. At a time when progress towards nuclear disarmament has stalled and the role of nuclear weapons in national security doctrines remains huge, there is a continued need for UNIDIR activities in support of nuclear disarmament and non-proliferation in all their aspects.

(a) Promoting the implementation of the Treaty on the Non-Proliferation of Nuclear Weapons

36. On 24 April 2014, UNIDIR held an event entitled "Practical steps towards nuclear disarmament" in partnership with the International Panel on Fissile Materials. In addition, UNIDIR actively participated in various track II meetings on the project of a zone free of nuclear weapons and other weapons of mass destruction in the Middle East. UNIDIR also co-convened with the Permanent Mission of Iraq to the United Nations a panel discussion on this topic at the 2015 Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons.

(b) Humanitarian impacts of nuclear weapons (phase II)

37. In phase II of the project, UNIDIR, in cooperation with the United Nations Development Programme and the Office for the Coordination of Humanitarian Affairs, conducted a study considering the challenges for the humanitarian system in the face of a range of plausible, illustrative nuclear weapon detonation scenarios. The study identified specific issues that warrant further policy and operational attention in order to enhance civilian protection from nuclear weapons. [August 2013-August 2014]

(c) Humanitarian impacts of nuclear weapons (phase III)

38. Phase III produced 11 background papers for the Vienna Conference on the Humanitarian Impact of Nuclear Weapons and the 2015 Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons. Panel discussions were held at side events at the sixty-ninth session of the General Assembly and the Review Conference. UNIDIR also collaborated with the International Law and Policy Institute to jointly publish comments on topical nuclear disarmament issues on the web page "Effective measures for nuclear disarmament" (http://unidir.ilpi.org). [September 2014-June 2015]

(d) Support for the Group of Governmental Experts on possible aspects that could contribute to but not negotiate a treaty banning the production of fissile material for nuclear weapons

39. UNIDIR was selected as consultant to the Group of Governmental Experts established by the Secretary-General pursuant to General Assembly resolution 67/53. UNIDIR participated in the four 2-week sessions of the Group in 2014 and 2015 and

provided background papers and advice as requested by the Chair. [March 2014-April 2015]

(e) Other activities

40. UNIDIR has continued to co-host various weapons of mass destruction-related events. They include a seminar organized on 30 March 2015 on the occasion of the fortieth anniversary of the entry into force of the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction together with the Geneva Centre for Security Policy and the Graduate Institute of International and Developmental Studies; and a workshop organized in February 2015 in support of the International Code of Conduct against Ballistic Missile Proliferation together with Fondation pour la Recherche Stratégique. At the request of the Director-General, UNIDIR chaired all panels of the informal civil society forum on the Conference on Disarmament held on 19 March.

2. Conventional weapons

41. The focus of the UNIDIR conventional weapons programme is on supporting the implementation disarmament instruments and commitments on the ground by developing targeted tools, offering capacity-building, and designing improved processes and better methods of stakeholder cooperation and collaboration.

(a) Supporting the use of the International Small Arms Control Standards (phase II)

42. UNIDIR developed a software tool, the International Small Arms Control Standards Assessment Tool, designed to facilitate the use of the Standards and, in particular, to allow practitioners and policymakers to assess how their policies, programmes and practices on small arms control align with international standards. Phase II of the project focused on validation, testing in 10 countries and the launch of the software. [January 2013-January 2014]

(b) Weapons and ammunition management in Somalia

43. The project comprised a technical workshop and an assessment of weapons and ammunition management in Somalia. The workshop highlighted weapons and ammunition management requirements in the light of Security Council resolution 2093 (2013) and, subsequently, resolution 2142 (2014), reviewed the scope of ongoing activities and practices and identified potential capacity-building needs. The UNIDIR report entitled "Weapons and ammunition management in Somalia" was used by the Federal Government of Somalia to report to the Council on the arms embargo. [December 2013-March 2014]

(c) Supporting the use of the International Small Arms Control Standards (phase III)

44. The third phase of the project (see para. 42) included a series of five regional capacity-building train-the-trainer workshops. A suite of training materials developed by UNIDIR is available for download free of charge from www.smallarmsstandards.org. [January 2014-January 2015]

(d) Arms and ammunition management in conflict, post-conflict and arms embargo settings

45. A series of workshops designed to provide technical guidance on the process of reviewing national frameworks on small arms and light weapons in Somalia, the project will help to establish capacity among relevant Government and United Nations entities, in particular the Arms and Ammunition Steering Committee, established in 2014, to review, assess and consider the development of appropriate legal frameworks, policies and procedures dealing with the full management cycle of weapons and ammunition. [May 2015-April 2017]

(e) Examining models for the harmonization of end use/r documentation and control systems

46. The project examines options and models for harmonizing end use/r control systems in order to strengthen measures against arms diversion. The project will assist States in effective and practical implementation of the Arms Trade Treaty. [January-December 2015]

(f) International Small Arms and Ammunition Technical Guidelines platform

47. The project builds upon the International Small Arms Control Standards Assessment Tool (see paras. 42 and 44). The first phase of the project entails the development of a prototype of the platform and field testing it. The project will improve the accessibility and applicability of control measures that apply to both small arms and their ammunition in order to enhance the capacity of field practitioners tasked with supporting arms and ammunition management in conflict and post-conflict settings. [February-December 2015]

(g) Promoting a coordinated and effective international approach to improvised explosive devices

48. The project considers how the international community might approach and address improvised explosive devices in a more coordinated and effective manner. [June 2015-February 2016]

3. Emerging security issues

49. The UNIDIR programme on emerging security issues creates solutions to the challenges and security risks that arise in rapidly changing or emerging sectors. Those sectors include atypical domains that cut across traditional boundaries, as well as those categories of technology that are of increasing interest to the international security community.

(a) Facilitating the process of developing an international code of conduct for outer space activities

50. With the support of the European Union, UNIDIR built international understanding on norms of behaviour in outer space activities through a series of regional meetings, background papers, expert consultations and support activities. [June 2012-August 2014]

(b) Cyber Index tool

51. A research and development feasibility study building on the 2013 UNIDIR project "Cyber Index: international security trends and realities", it developed the conceptual direction for turning the paper on Cyber Index into an online cyberpolicy tool. The document outlining the prototype is entitled "Towards cyberstability: a user-centred tool for policymakers". [January-September 2014]

(c) Group of Governmental Experts on Developments in the Field of Information and Telecommunications in the Context of International Security

52. UNIDIR was again selected as consultant to the Group of Governmental Experts for its work in 2014 and 2015. The final meeting of the Group was held in June 2015. [July 2014-June 2015]

(d) Cross-cutting nature of space security

53. UNIDIR organized a panel, hosted by the Permanent Mission of Kazakhstan to the United Nations, in October 2014 to discuss current United Nations initiatives and the importance of a holistic approach to developing a resilient space security regime.

(e) International law and State behaviour in cyberspace

54. The project focuses on raising awareness and encouraging dialogue at the regional level with regard to the various interpretations of the applicability of international law in cyberspace. Regional workshops have been held in Nairobi, Muscat and Seoul. [October 2014-June 2015]

(f) Realities of middle Power space reliance

55. A study examining the reliance of middle Powers on space resources in the context of space security, in order to support middle Powers in building a deeper understanding of the strategic choices with which they are faced when it comes to space security concerns. [November 2014-June 2015]

(g) Principles of self-defence in space: national perspectives and critical issues

56. UNIDIR held a small expert round table with Secure World Foundation to consider national positions on how existing national commitments on the right to self-defence should be applied in the outer space environment. [31 March 2015]

(h) Annual Cyberstability Conference

57. The 2014 conference was held on 10 February 2014, on the theme "Preventing cyberconflict". The 2015 conference was to be held on 9 and 10 July 2015.

(i) Annual Space Security Conference

58. The theme of the UNIDIR space conference held in Geneva on 19 and 20 March 2014 was "Implementation and compliance". The 2015 conference will also be held in Geneva, on 20 and 21 August 2015, on the theme "The foundations of space security".

4. Security and society

59. The UNIDIR security and society programme focuses on cross-cutting, multidisciplinary approaches to security issues that have wider societal ramifications, on such areas as health, development, peacekeeping and peacebuilding, and human rights. It is also where UNIDIR builds networks beyond security and arms control specialists, for example experts in artificial intelligence and ethics, technology entrepreneurs, medical professionals and design specialists.

(a) Weaponization of increasingly autonomous technologies (phase I)

60. The project's primary aim was to help policymakers to better consider and make informed decisions about the weaponization of increasingly autonomous technologies. In phase I, UNIDIR focused on four specific topics: ways to frame multilateral discussions, the concept of "meaningful human control", issues surrounding ethics and social values, and maritime autonomy. [November 2013-January 2015]

(b) Evidence-based design tool for reintegration programming (phase III)

61. Phase III of the project offered recommendations with regard to next steps for the Inter-Agency Working Group on Disarmament, Demobilization and Reintegration and its member organizations to make evidence-based design available for use by reintegration practitioners and on how to incorporate evidence-based design into the Working Group's training programme on disarmament, demobilization and reintegration, emphasizing the critical shift from applying best practices to utilizing best processes. [August 2014-March 2015]

(c) Weaponization of increasingly autonomous technologies: competing narratives (phase II)

62. Phase II will continue to focus on the areas in which UNIDIR can bring added value to international discussions on autonomy. Phase II privileges cross-disciplinary topics, in which the critical issues require discussion and consideration beyond the traditional stakeholders under the Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects, such as the private sector, scientists involved in research and development and experts from other relevant academic disciplines. [February 2015-January 2017]

(d) Global Day of Action on Military Spending

63. On 13 April 2015, UNIDIR, together with the International Peace Bureau, co-organized an event marking the Global Day of Action on Military Spending, with a focus on 2014 military expenditure data.

(e) Arms control and security issues related to armed unmanned aerial vehicles

64. In order to support the Secretary-General's study on the arms control and security concerns raised by the use of armed unmanned aerial vehicles, UNIDIR co-organized with the Office for Disarmament Affairs an international seminar to consider the arms control and security aspects of the use of armed unmanned aerial vehicles. [15-16 June 2015]

(f) Reverberating effects of explosive force

65. Seed funds have been secured for starting work on the tertiary or "reverberating" effects of explosive weapons use in populated areas. Such humanitarian, development and public health impacts are not currently well understood and may be much greater than widely realized. [August 2015-July 2016]

5. Other activities

(a) Consultative and advisory services

66. One significant indicator of the impact of the work of UNIDIR and the reputation of the Institute is the number of requests for consultative and advisory services. Staff are regularly called upon to advise, consult with or brief interested parties, as well as to make presentations in international meetings and conferences. Requests come from within the United Nations system, from individual Member States and regional groups, from international, multilateral and regional organizations, from presidents of the Conference on Disarmament, and from research institutes, academic bodies, the media and civil society groups. UNIDIR staff also conducted a number of consultancy and advisory meetings with Member States.

67. While Member States expect UNIDIR staff to provide advice and support to the disarmament community, that activity is not covered by dedicated project funding. This is particularly an issue for research staff, for whom such requests involve work over and above their already full-time project work.

(b) Disarmament education

68. In fulfilling its mandate to provide the international community with more diversified and complete data, studies and analyses, UNIDIR considers disarmament education to be a key pillar of its activities. Among others, it contributed to the programme on disarmament and non-proliferation in the twenty-first century within the seminars series of the Information Service of the United Nations Office at Geneva in November 2014, as well as to a seminar on disarmament education organized by the University of London Centre for International Studies and Diplomacy in Geneva in February 2015.

(c) Geneva Forum

69. UNIDIR was a founding partner of the Geneva Forum. Through its public briefings and private workshops, the Geneva Forum offered a unique "safe space" for policymakers and practitioners to build arms-control agendas and support current negotiations. Early in 2015, the Geneva Forum was dissolved, owing in large part to the unfavourable funding environment. The principal organizations, including UNIDIR, will thus continue to pursue, on an ad hoc and individual basis, and with appropriate partners, projects of mutual interest, in particular the current work stream regarding the implementation of the Arms Trade Treaty (the Arms Trade Treaty Network), in collaboration with other institutions.

B. Resources and expenditure for 2014

70. The planned income of UNIDIR for 2014 was $3,088,800; the fund balance at the beginning of 2014 was $1,941,800; the income in 2014 was $2,447,300; and total expenditure was $2,788,800, as shown in table 1. In the past several years, on average 85 per cent of the total amount of voluntary contributions was earmarked for specific projects. Projects and activities receive funding on a rolling basis throughout the year. Thus, annual and biennial budgeting is of an indicative nature. Advance planning figures are based on an assessment of the Institute's desired accomplishments for the year and an assessment of historical trends in funding.

Table 1
Income and expenditure for 2014
(Thousands of United States dollars)

Description	*Projections for 2014[a] (a)*	*Actual (b)*	*Increase (decrease) (c=b-a)*
Fund balance at the beginning of the period[b]	1 941.9	1 941.8	(0.1)
Income			
Voluntary contributions and public donations[c]	2 748.3	2 108.1	(640.2)
Subvention from the United Nations regular budget	280.8	280.8	–
Other inter-organization contributions	27.1	40.0	12.9
Interest income	14.0	11.8	(2.2)
Miscellaneous income	18.6	6.6	(12.0)
Total income	**3 088.8**	**2 447.3**	**(641.5)**
Prior-period adjustments	1.6	(1.1)	(2.7)
Refund to donors[d]	(50.2)	(10.9)	39.3
Prior-period obligations	16.9	15.6	(1.3)
Total funds available	**4 999.0**	**4 392.7**	**(606.3)**
Direct expenditure			
Institutional expenditure			
Staff and other personnel costs	1 085.3	1 122.8	37.5
Institutional travel	15.7	12.7	(3.0)
Operating expenses	51.8	71.0	19.2
Project-related costs			
Staff and other personnel costs	1 214.5	1 252.9	38.4
Travel	118.7	156.1	37.4
Contractual services	75.7	27.0	(48.7)
Acquisitions	15.8	2.0	(13.8)
Fellowships, grants and other	106.3	20.3	(86.0)
Total direct expenditure	**2 683.8**	**2 664.8**	**(19.0)**

Description	*Projections for 2014[a] (a)*	*Actual (b)*	*Increase (decrease) (c = b-a)*
Programme support costs	120.2	124.0	3.8
Total expenditure	**2 804.0**	**2 788.8**	**(15.2)**
Fund balance at the end of the period[c]	**2 195.0**	**1 603.9**	**(591.1)**

[a] Revised estimates as presented in document A/69/176/Corr.1.

[b] These funds are already committed in accordance with donor agreements.

[c] See details of voluntary contributions for 2014 in annex II. The actual income from voluntary contributions shows a decrease of $640,200 against the projected amount of voluntary contributions mainly because the estimates are based on an average over six years, whereas the number and amounts of funding agreements vary from year to year.

[d] In accordance with specific donor agreements, refunds are issued to donors when specific project activities are modified and result in real expenditure being lower than the amount initially foreseen in the initial activity budget agreed by the donor.

[e] Includes the required operating cash reserve (15 per cent of direct expenditure, less United Nations regular budget subvention and 5 per cent of direct expenditure for contributions from the European Union).

C. Current resources and expenditure for 2015

71. It should be noted that several projects funded and started in 2014 are still ongoing in 2015, as described in section III.A. The completion of the UNIDIR programme of work for 2015 will depend on the funds secured throughout the year.

Table 2
Projected activities and financial plan for 2015
(Thousands of United States dollars)

Description	*Revised projections for 2015[a] (a)*	*Actual January-March 2015 (b)*	*Difference (c = b-a)*
Fund balance at the beginning of the period[b]	1 603.9	1 603.9	–
Income			
Voluntary contributions and public donations[c]	2 802.5	1 301.6	(1 500.9)
Subvention from the United Nations regular budget[d]	303.8	288.8	(15.0)
Other inter-organization contributions[e]	30.8	88.3	57.5
Interest income[e]	9.6	0.0	(9.6)
Miscellaneous income	18.3	0.5	(17.8)
Total income	**3 165.1**	**1 679.3**	**(1 485.8)**
Prior-period adjustments	3.1	0.0	(3.1)
Refund to donors	(41.1)	0.0	41.1
Prior-period obligations	15.7	0.0	(15.7)
Total funds available	**4 746.7**	**3 283.2**	**(1 463.5)**

Description	*Revised projections for 2015*[a] *(a)*	*Actual January-March 2015 (b)*	*Difference (c=b-a)*
Direct expenditure			
Institutional expenditure			
Staff and other personnel costs[f]	991.7	289.9	(701.8)
Institutional travel	15.9	0.6	(15.3)
Operating expenses[g]	57.4	175.0	117.6
Project-related costs			
Staff and other personnel costs	1 246.5	316.5	(930.0)
Travel	126.1	31.3	(94.8)
Contractual services	79.2	2.0	(77.2)
Acquisitions	15.9	0.9	(15.9)
Fellowships, grants and other	109.7	0.0	(109.7)
Total direct expenditure	**2 642.3**	**815.3**	**(1 827.0)**
Programme support costs	143.4	18.1	(125.3)
Total expenditure	**2 785.6**	**833.4**	**(1 952.2)**
Fund balance at the end of the period	**1 961.0**	**2 449.8**	**488.8**

[a] Projections for 2015 were based on the average for the period 2009-2014, plus 1 per cent, except for the regular budget subvention, interest income and institutional staff (see footnotes d-f).

[b] These funds are already committed in accordance with donor agreements.

[c] The amount of voluntary contribution and other inter-organization contributions for the period January-March 2015 is high mainly because the projections are based on an average over six years, whereas the number and amounts of funding agreements vary from year to year.

[d] The Advisory Committee on Administrative and Budgetary Questions, in a communication to the Institute dated 17 February 2015, indicates a revised appropriation of $584,600 for the biennium 2014-2015. The amount of the subvention in 2014 was $280,800; $288,800 was received in January 2015.

[e] The ratio of the interest income for 2014 to the opening balance for 2014 was used to make the projection of the interest income for 2015 and 2016.

[f] See annex I. The amounts reported for actual staff costs are high because they include obligations made prior to 31 March to cover several months' worth of salary costs from April 2015.

[g] Operating expenses for the period 1 January-31 March 2015 include a loss on exchange of $163,400. This includes a gain on exchange on payments of $175.37 and a loss on exchange on the re-evaluation of unpaid pledged contributions of $163,559.42.

D. Projected activities and financial plan for 2016

72. Nuclear issues will feature prominently in the Institute's programme of work for 2016. While the outcome of the 2015 Review Conference will certainly influence how the international community approaches the next five years, UNIDIR will continue to work on concrete measures to advance discussions on fissile

materials, nuclear transparency and security, as well as offer evidence-based analysis of the humanitarian consequences of nuclear weapons.

73. The UNIDIR conventional arms portfolio is based on building practical tools, very much from a user's perspective, and on how best to support affected States, programme and policy designers and United Nations agencies as they seek to design and implement effective small arms and light weapons programmes in line with their international commitments. Effective implementation of the Arms Trade Treaty, such practical measures as end user certificate harmonization and addressing diversion are high priorities in the coming year, as are improvised explosive devices and explosive weapons.

74. The emerging security portfolio will continue to build on UNIDIR leadership in space and cybersecurity, with a particular focus on capacity-building in developing countries and working with middle Powers and those stakeholders not always present in multilateral discussions.

75. Work in the UNIDIR security and society portfolio will continue to build on the Institute's successful cross-cutting, multidisciplinary approach to security issues that have wider societal ramifications: the project on the weaponization of increasingly autonomous technologies will continue to expand, with funding secured until 2017. UNIDIR will be seeking to embed its evidence-based design for reintegration into peacekeeper training, where the said design technique can assist those on the ground in rapidly designing effective and responsive reintegration projects.

76. In the next five years, UNIDIR aims to have an increasingly prominent role in the United Nations disarmament machinery. Engaging through the disarmament machinery is an important mechanism to support all States and offer analysis on how to make the less productive parts of the machinery work better. UNIDIR welcomes the fact that there have been discussions during the past two sessions of the Disarmament Commission on the possibility of requesting UNIDIR to conduct specific studies; those discussions have not yet led to a mandate.

77. In the next five years, much greater emphasis will be placed on connecting UNIDIR work to the larger set of global issues to which Member States have committed as priorities, particularly the post-2015 development agenda and humanitarian and health issues. The UNIDIR mandate, defined in article II, paragraph 2, of its statute, states that the work of the Institute shall aim "to facilitate progress ... towards greater security for all States and towards the economic and social development of all peoples". In the coming years, UNIDIR will conduct further evidence-based research to promote a wider and deeper understanding of the security-disarmament-development relationship. A large portion of the Institute's projects and activities budget is in eligible areas of official development assistance. UNIDIR has always had a cross-cutting approach, but this will be pursued more systematically and with longer-term objectives.

78. The financial expenditure to support the 2016 programme of work is projected at $2,968,700, as shown in table 3.

Table 3

Proposed activities and financial plan for 2016

(Thousands of United States dollars)

Description	*2016 projections*[a]
Fund balance at the beginning of the period[b]	1 961.0
Income	
Voluntary contributions and public donations	2 870.4
Subvention from the United Nations regular budget[c]	292.3
Other inter-organization contributions	34.3
Interest income[d]	11.8
Miscellaneous income	18.6
Total income	**3 227.4**
Prior-period adjustments	0.3
Refund to donors	(48.0)
Prior-period obligations	18.4
Total funds available	**5 159.1**
Direct expenditure	
Institutional expenditure	
Staff and other personnel costs[e]	1 167.6
Institutional travel	15.2
Operating expenses	60.7
Project-related costs	
Staff and other personnel costs	1 238.7
Travel	123.1
Contractual services	72.7
Acquisitions	14.9
Fellowships, grants and other	128.0
Total direct expenditure	**2 821.0**
Programme support costs	147.7
Total expenditure	**2 968.7**
Fund balance at the end of the period	**2 190.4**

[a] Projections for 2016 were based on the average for the period 2010-2015, plus 1 per cent, except for the regular budget subvention, interest income and institutional staff costs (see footnotes c-e).

[b] These funds are already committed in accordance with donor agreements.

[c] Represents half of the approved amount for the subvention to UNIDIR for the biennium 2014-2015, pending recosting for the biennium 2016-2017.

[d] The ratio of the interest income for 2014 to the opening balance for 2014 was used to make the projection of the interest income for 2015 and 2016.

[e] For further details see annex I.

IV. Resource mobilization

79. In accordance with article VII, paragraph 1, of the statute of UNIDIR, voluntary contributions from States and public and private organizations are the principal source of financing. Resource mobilization is therefore at the heart of the Institute's financial stability.

80. There are five mechanisms for financing UNIDIR, which are set out below.

(a) United Nations regular budget

81. The statute of UNIDIR, approved by the General Assembly, states that a "subvention towards meeting the costs of the Director and the staff of the Institute may be provided from the regular budget of the United Nations".

(b) Voluntary contributions to the institutional operations budget

82. This funding supports the framework of the Institute: the human resources required for UNIDIR to carry out its activities in compliance with United Nations financial and administrative rules and regulations, as well as in accordance with contribution agreements.

(c) Voluntary contributions to the projects and activities budget

83. Funding is raised from Governments, foundations and international organizations and earmarked for specific activities and projects on the basis of a detailed proposal and budget prepared by UNIDIR.

(d) Contributions to the Stability Fund

84. The Institute's Stability Fund is a revolving fund that helps to stabilize its operations by increasing liquidity.

(e) Requests by the General Assembly

85. Member States have the possibility to commission specific studies from UNIDIR. According to the Institute's statute, "specific activities which the General Assembly may request the Institute to add to its regular work programme shall be paid for from the regular budget of the United Nations in amounts to be determined at the time the activities are requested".

86. In times of shifting fiscal and programmatic priorities, overreliance on a small group of funders is risky. It is therefore important to make every effort to broaden the base of financial support to UNIDIR, both among States and non-governmental philanthropic sources.

87. As noted above, the UNIDIR mandate contains clear references to the developmental aspects of its work. In the next five years UNIDIR will transition from a project-by-project approach to a more systematic integration of the development dimension as a cross-cutting theme across the whole of the Institute's programme of work. This not only supports the international community with relevant and much-needed security analysis as it moves to implement its post-2015 development agenda commitments but also aligns with the funding priorities of the majority of funders.

V. Communications and outreach

88. Communications and outreach are essential to transmitting the Institute's research results and impact to the global community. In addition to communicating substantive research results, current communication efforts are focused on raising awareness of the Institute's unique role in the international community and its value added. UNIDIR has nearly finished its transition to producing only electronic publications. In 2015, particular emphasis has been placed on outreach through social media.

89. Communications and outreach efforts continue to be hindered by the loss of the Institute's only dedicated communications staff in 2013 owing to a lack of institutional funding.

VI. Conclusion

90. In recent years, Member States have resoundingly expressed their strong political will in support of the Institute's continued autonomy and its unique governance structure. It is now time for Member States to take ownership of the Institute's future, to ensure that UNIDIR can build upon its first 35 years and continue to serve all States as the thought leader of the United Nations system on disarmament and related international security questions.

Annex I

Projected institutional staff costs for 2015-2016

(Thousands of United States dollars)

2015	*Total net salary*	*Staff assessment*	*Common staff costs*	*Representation allowances*	*Total*
United Nations contracts[a]					
1 D-2	227.1	36.5	77.4	0.6	341.6
2 GS (OL)	205.0	76.0	70.0	–	351.0
1 P-5 (November-December 2015)	31.3	4.5	10.7	–	46.5
1 P-3 (November-December 2015)	22.3	2.8	7.6	–	32.7
Subtotal	**485.7**	**119.8**	**165.7**	**0.6**	**771.8**
UNIDIR contracts[b]					
1 P-5 (January-October 2015)	129.6	–	–	–	129.6
1 P-3 (January-October 2015)	90.3	–	–	–	90.3
Subtotal	**219.9**	**–**	**–**	**–**	**219.9**
Total	**705.6**	**119.8**	**165.7**	**0.6**	**991.7**

2016	*Total net salary*	*Staff assessment*	*Common staff costs*	*Representation allowances*	*Total*
United Nations contracts[a]					
1 D-2	227.1	36.5	77.4	0.6	341.6
1 P-5	187.9	26.8	64.1	–	278.8
1 P-3	133.6	17.0	45.6	–	196.2
2 GS (OL)	205.0	76.0	70.0	–	351.0
Total	**753.6**	**156.3**	**257.1**	**0.6**	**1 167.6**

Abbreviation: GS (OL), General Service (Other level).

[a] Based on standard salary costs for the biennium 2014-2015 applicable to Geneva (version 13). The P-5 and P-3 positions will be regularized in 2015 to comply with United Nations rules and regulations and Umoja implementation.

[b] Exchange rate: $1 = CHF 0.95.

Annex II

Details of voluntary contributions for 2014

(United States dollars)

	Amount
A. Governmental contributions	
Pledged prior to 2014 for 2014	
Finland	53 619
Germany	67 935
Norway	160 901
Pledged in 2014 for 2014	
Australia	13 181
China	19 985
Finland	54 422
France	160 000
Germany	86 741
Iraq	10 000
Ireland	65 876
Mexico	10 000
Netherlands	394 737
Norway	555 394
Pakistan	4 949
Republic of Korea	30 000
Russian Federation	99 965
Serbia	2 000
Switzerland	277 407
Turkey	4 000
United Arab Emirates	10 000
Subtotal, A	**2 081 112**
B. Public donations	
Northeastern University	7 000
Simons Foundation	20 000
Subtotal, B	**27 000**
C. Inter-organization	
Office for Disarmament Affairs	40 000
Total	**2 148 112**

Annex III

Institutional operations budget for 2016

(Thousands of United States dollars)

	Amount
Institutional staff[a]	
D-2	341.6
P-5	278.8
P-3	196.2
2 GS (OL)	351.0
Subtotal, institutional staff	**1 167.6**
Travel, D-2	15.0
Communications and outreach	50.0
Information technology and telecommunications	
Information and Communications Technology Service	11.0
Telecommunications	6.0
Subtotal, information technology and telecommunications	**17.0**
Miscellaneous operating costs	6.0
Subtotal	**1 255.6**
Programme support costs	62.8
Total	**1 318.4**

Abbreviation: GS (OL), General Service (Other level).

[a] Based on standard salary costs for the biennium 2014-2015 applicable to Geneva (version 13).